

By Bobby Scott

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This week, we celebrate the 48th anniversary of Medicare and Medicaid. These programs have been and continue to be critical to seniors, people with disabilities, children, women and other Americans.

Since the passage of the Affordable Care Act and the Supreme Court's ruling upholding the law as constitutional, there has been a lot of talk about the law's Medicaid expansion provision.

The ruling effectively allows states to decide whether to expand their Medicaid programs. States still have a financial incentive to comply, but they have an option to forgo the additional federal funds and not expand.

States have begun to determine whether to expand their programs to include those who are at up to 133 percent of the federal poverty level, around \$31,000 for a family of four. Twenty-three states and the District of Columbia have decided to move toward expansion, and there is a compelling case for Virginia to do so, too.

First, let's look at Virginia's current program. It offers comprehensive coverage to very low-income children and pregnant women, including physician and hospital visits, vision care and dental services.

Contrary to the popular belief that Medicaid is purely insurance for poor people, the vast majority of Medicaid dollars pay for long-term care services for the elderly and people with disabilities. In Virginia, only 30 percent of Medicaid funds are directed to insurance for low-income families, while nearly 70 percent is spent on ensuring quality of life for the elderly and people with disabilities.

Over the past decade, the number of enrollees in Virginia's program has increased dramatically. Despite this growth, Virginia still has some of the strictest eligibility standards in the nation and the 48th lowest per-capita Medicaid expenditure rate in the country.

It is under this reality that the commonwealth must take a hard look at its Medicaid program and determine if it should do more to ensure that Virginians have access to quality health care coverage.

Expanding coverage would improve health, help control communicable diseases and enhance productivity. From a public health standpoint, it's indisputably wise to expand access to health care.

Apart from the public health and moral imperative argument, there is also an extremely compelling economic case for expansion.

The federal government will pay for the vast majority of the cost - 100 percent for the first three years, then gradually reduced to 90 percent by 2020.

Recent studies have outlined numerous economic benefits to expanding Medicaid. It's estimated that expansion will create 30,000 jobs in Virginia in just five years. It would generate an annual average of \$3.9 billion, directly and indirectly, in economic activity in the state.

And, under expansion, many services the state now provides with its own funds would be instead paid for with the 90 percent federal contribution.

Taking into account all these factors, Medicaid expansion would create state general fund savings and revenues that would more than offset the state's share of expansion costs, netting Virginia \$555 million over the next eight years.

These benefits cannot come without a cost. Virginia would have to do its part and contribute slightly more to its Medicaid program in the out years.

But Virginians have already paid and will continue to pay for Medicaid expansion nationwide, even if we forgo expansion here. Virginia taxpayers would just be footing the bill for all the other states that opted to expand their Medicaid programs.

That doesn't make any sense. We should use the tax dollars already paid by Virginians to improve our own program.

Over the past 10 years, Virginia has spent more than \$1 billion from the general fund to subsidize the cost of indigent care, and all insured Virginians pay higher premiums to defray the cost of this uncompensated care. It is only right that Virginians reap the benefits, instead of paying into the system only to subsidize expanded benefits in other states.

As we mark the 48th anniversary of Medicaid, I call on the Virginia Medicaid Innovation and Reform Commission, the General Assembly and Gov. Bob McDonnell to act quickly to ensure that it can be expanded as soon as possible.

Virginia taxpayers should enjoy all the benefits provided by the Affordable Care Act, especially when they are already paying for it.

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